

Inter-Regionalism

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Introduction

A growing body of scholarship examines the concept of region: mostly, it is represented as a collective, often institutionalised, designed to address common problems among geographically proximate states. For some observers, regionalism can strengthen, or even precipitate, the development of a common sense of identity, based on factors including history, geography and geostrategic needs; and fostered by emergent normative frameworks and a developing sense of ‘we-ness’. Regarded as a means of pooling resources, and even sovereignty, as a ‘risk management strategy’ to deal with globalisation and contemporary state and inter-state problems, the idea of regionalism in its contemporary or ‘new’ form addresses explicitly the multiple actors within the given region; adopts a less formalised approach to regions themselves; and pays due attention to the influences of exogenous forces (Hettne and Söderbaum 2000: 182; Hettne 2003). Indeed, Hettne identified what he calls ‘second generation regionalism,’ which, unlike its narrower earlier counterpart (along the lines of the EEC) and as expounded particularly

by Hettne *et al.*, is a ‘multidimensional form of integration which includes economic, political, social and cultural aspects and thus goes far beyond the goal of creating region-based free trade regimes or security alliances’ (Hettne 1999: xvi). For followers of Hettne, such as Söderbaum and Langenhove, ‘third generation regionalism’ is now beginning to take root, characterised by deepening extra-regional affairs towards international organisations, other regions and individual countries. It rests, for them, on stronger institutional bases and derives from more ‘proactive’ regions, with the result that it plays a greater role in ‘shaping global governance’ (2005: 258). For many commentators, then, regionalism has come to take its place within a ‘multi-tiered system ranging from the global multilateral level to the conventional bilateral ties between nation states’ (Rüland 2001). The most prominent regional developments are of course seen to be within Europe. However, in recent decades, and notably in the past few years, other regions have advanced their own collective activities, and the case of East Asia is a particularly important one. Today, East Asian regionalism brings together previously sworn enemies and carries ideational as well as (loose) institutional credentials.

The proliferation of regions, in both number and type, leads to an increased need for them to talk to one another, in the form of what might be termed ‘inter-regionalism’. This is not an entirely new phenomenon, as the EU already had agreements with Africa, Caribbean and Pacific (ACP) states and later ASEAN in the 1970s. However, these were designed for the EU to manage its aid and trade relationships, and there was no suggestion of equal partnerships being formed between the respective regions. Since that time, there have been further developments in recasting existing relationships and

developing new ones as partnerships and region-to-region dialogues. These developments have been accompanied by a small, but growing, body of literature on inter-regionalism. The concept of inter-regionalism itself is both relatively new and nebulous and still tends to be associated with agreements and structures formulated by and for the EU. As this paper will attempt to demonstrate in the case of East Asia, inter-regionalism plays a potentially important institutional and ideational role in determining the nature of regional development itself and opens up a number of questions about contemporary global governance. A deepened understanding of inter-regional dynamics may even contribute to our search for knowledge about regions, globalisation and international relations more generally.

What's in a Name?

There is little agreement as to how to define and even name the loose concept of inter-regionalism. It has been described, amongst other things, as transregionalism, hybrid regionalism, bi-regionalism and plurilateralism. In their edited special issue of the *Journal of European Integration* Söderbaum and Langenhove emphasise the actorness of the regions engaging in inter-regionalism (2005: 258). In other words, the very fact of region-to-region engagement is explicitly acknowledged in a way that is not seen, for example, in the APEC process. They pay close attention to the nature of the actors involved and to their very understanding of the term 'region.' This approach chimes with Hettne's view that inter-regionalism represents an extension of the phenomenon of regionalism. Söderbaum and Langenhove, then, assert a need to classify degrees of inter-regionalism, which depends upon the very regionness of the area under scrutiny.

Moreover, they observe that inter-regionalism may serve to justify and enhance a region's (notably the EU's) legitimacy and efficiency as an actor in its own right, which in turn may promote other regional dynamics and further inter-regionalism (2005: 252 and 259). These two authors and their colleagues interrogate closely the nature of EU partnerships and question whether they may even reflect a shift towards a world order focused on regions and inter-regional relations (2005: 253).

The terms inter-regionalism and trans-regionalism are often applied interchangeably, but a number of authors seek to differentiate them (Aggarwal and Morrison 1998; Köllner 2001; Rüländ 1996, 2001, 2002; Yeo 2000). Hettne, for example, refers to transregionalism as 'institutions and organizations mediating between regions', whilst inter-regionalism occurs if these arrangements are formalised. He goes on to define the 'criss-crossing multitude of such relations (a sort of 'regional multilateralism') as 'multiregionalism' (Hettne 2004: 11). Hänggi also offers multiple definitions, when he refers, amongst other things, to biregionalism, transregionalism and hybrid regionalism, such as relations between a region and a state (2000: 7). In so doing, he equates, for example, the Asia-Europe Meeting (ASEM) and the Asia-Pacific Economic Cooperation (APEC) forum. In a more straightforward approach, but with a focus on trade relations only, Aggarwal and Fogarty define inter-regionalism as the 'pursuit of formalized intergovernmental relations with respect to commercial relationships across distinct regions' (2004: 1). They illustrate the nature of relations according to actor scope, geography and product scope. For them, an agreement is 'pure inter-regional' if it links two free trade areas or customs unions (2004: 5). If one formal group negotiates with a

collection of countries from another region, it is 'hybrid inter-regionalism' (2004: 5). Similarly, 'transregionalism' for them encapsulates more complex actor relationships, which transcend inter-state relations alone and allow, for example, a focus on business communities (2004: 5). Inter-regionalism, then, offers for them a policy strategy, although importantly they, too, acknowledge the importance of understanding the nature and coherence of the regional 'counterpart' (Aggarwal and Fogarty 2005: 330). For Rüländ, transregionalism is one form of inter-regionalism, alongside what he calls 'bilateral interregionalism' (or 'bi-regionalism') (2001). He defines bilateral inter-regionalism as regularised meetings to exchange information between clearly defined entities (such as ASEAN and the EU) dealing with specific policy arenas. In contrast, he regards arrangements such as ASEM or APEC as transregional institutions, which may not represent pre-existing organisations and whose membership may be drawn from beyond strict regional boundaries (Rüländ 2001). This paper adopts a framework that accords with Rüländ's bilateral inter-regionalism, but which finds the ASEM arrangement to fit this model. These approaches focus on the novel ways in which inter-regionalism might contribute to the contemporary management of international relations by offering an additional 'vehicle for this project of external relations' (Söderbaum *et al.* 2005: 371). This potential for inter-regionalism to contribute to new approaches to global governance forms one strand of this paper.

Examinations of inter-regionalism frequently skim the issue of intra-regional development, although a number of scholars have now begun to analyse how the construction of a given region *per se* might be affected by its capacity and inclination to

function at an inter-regional level. Hettne, for example, addresses the potential within inter-regionalism to re-emphasise the specific history, culture and identity of a region, in what he sees as a ‘challenge [to] the homogenizing tendency of contemporary globalisation’ (2003). In a similar vein, other social constructivist approaches refer to the possible of identity-formation through inter-regional interaction (Gilson 2002).

Santander, whilst retaining a focus on the levels of institutionalisation, maintains a need to understand the impact of the ‘two-way relationship’ of inter-regionalism and regionalism on the constitution and development of each (2005: 291). This identity-building aspect of inter-regionalism forms the main focus of this paper. The following section aims to outline the potential for inter-regional engagement, by drawing broadly on Rüländ’s functions of inter-regionalism (2001).

What is Inter-regionalism For?

Power Balancing

Located as it frequently is within neoliberal, triadic interpretations of a globalised economy, inter-regionalism is fundamentally viewed by some to serve as a means of balancing power among the key economic regions of the world (Stubbs 1998: 68).

Hänggi typifies this view by observing that the ‘causal factors of interregionalism, and of regionalism alike, are the ongoing processes of globalisation and regionalisation’ (2000: 14). Similarly, the EU’s external relations with other regions is seen from a systemic approach as part of a ‘new triad’ (Roloff 1998; Hänggi 2000: 9). In this reading, inter-regionalism is a phenomenon derived from a need for collectives of states to manage external (economic) realities (Gilson 2005: 310). Thus, inter-regionalism represents a

clear ‘double regional project’, bringing together two regions to respond to global challenges where appropriate, and thus locating inter-regionalism firmly within regionalist literature. For writers such as Grugel, ‘neo–interregionalism develops within and is constrained by the global political economy’ (2002: 1). It is, then, simply a ‘corollary of the new regional agreements’, which themselves are responses to changed global economic conditions. Aggarwal and Fogarty are somewhat more wary of ascribing universal trends to inter-regionalism, and they note that the pursuit of this form of relations is dependent on the empirical context (2004: 237). Moreover, whilst the development of inter-regionalism vis-à-vis globalisation is seen by some as a complementary set of developments, for others it provides the arena for a clash of experiences, as a site of resistance to the forces of globalisation (Gilson 2002). Mittelman takes a slightly different route to a similar conclusion when he notes that ‘transformative regionalism is partly a defensive reaction mounted by those left out of the mosaic of globalisation’ (2000: 128-9). In these ways, regions act as ‘external federators’ to manage an ever larger scale of relations (Nye 1968 and Schwarz 1971, cited in Hänggi 2000: 3), with potential consequences –for Hettne – in the very structure of world order (2003). Inter-regionalism represents the multiplication of this process.

Other observers attempt to address the role of inter-regionalism in changes to global governance structures. Doidge (2007: 231), like Aggarwal and Fogarty, ascribes to it a distinct, or potentially distinct, ‘mode of supranational governance in the world political economy’ (Aggarwal and Fogarty 2004: 18). Given what Hettne and Söderbaum see as a ‘lack of politically grounded problem-solving at the global level’ (2000: 182), and yet in

the face of increasing moves towards more regulation at levels beyond the state, certain governance structures are now being built around their local or regional constituencies, with concomitant requirements for different levels of accountability to be put in place (Scholte, forthcoming). This echoes Rüländ's call for it to be considered as 'part of an ongoing search for new structures of governance able to manage the manifold challenges caused by the growing incongruence between the border crossing nature of policy matters and territorially defined political authority' (2002). Rumford accepts Scholte's reading that governance has become more fragmented and decentralized and that contemporary governance must therefore be regarded as multilayered (Scholte, 2000: 143; Rumford 2003: 33). Still hazy in their application, these changing levels of governance and accountability have important implications for the very nature of the actors engaged in regional and inter-regional arrangements. Inter-regionalism thus has the potential to respond to concerns that state and sub-state levels are being transcended, while global arrangements have yet to be effectively formatted. This also has important implications for the role of non-state actors, who themselves may transcend state organs to lobby regional or even inter-regional representatives. Similarly, Acharya observes that 'newly empowered civil society elements' can use regional institutions to promote their agenda (2003: 377-8), whilst Grugel, too, sees a potential for new 'transnational civil society activism' (2006: 210). The development of the Asia-Europe People's Forum (AEPF) alongside ASEM suggests that inter-regionalism, too, offers an important locus for non-state activities and provides opportunities - and possibly an impetus - for activists from vastly differing socio-cultural backgrounds to develop collective positions and projects vis-à-vis key international issues. For many non-state actors, the very (inter-regional)

nature of the new forums offers both disadvantages and advantages. Whilst it can be a conduit or locus for the coming together of different groups in the name of (eg) anti-neoliberal agenda, it can also further reify dominant structures of power. This will be illustrated more fully below.

Institutional Balancing

The second of Rüländ's functions for inter-regionalism outlines its potential to create institutional balancing, so that, for example, ASEM may be viewed as a direct response to the rise of APEC and growth in Japanese and US influence over East Asia. The EU is seen to be pre-eminent player in contemporary institutional developments and for this reason it is worth examining the ways in which the EU has instrumentalised its use of and approaches to inter-regionalism and with what effects on our understanding of the concept itself. There is plenty of evidence to illustrate the ways in which the EU's own integration processes are developing and how such developments impact upon relations with the outside (non-EU) world. For many, inter-regionalism offers a practical solution to contemporary, globalised, international relations and provides one means of managing relations between sets of states. Aggarwal and Fogarty declare the EU to be the 'patron saint of interregionalism in international economic relations' (2005: 328). They go on to exemplify different types of application for inter-regionalism. In the case of EU-Central and Eastern European dialogue, for example, inter-regionalism has been seen as a means of eventual integration into the EU, whilst EU-ACP agreements, codified initially in Lomé, represent the institutional management of group relations. Thus, while it may be practical for the EU to establish group to group engagements with key parts of the world

as a policy tool of growing importance (Santander 2005: 287, it may also be in the interests of those less institutionalised zones to form collective responses to European advances. In these ways, the EU is seen to represent the archetype region and a leading proponent of utilising inter-regionalism precisely as a management tool for relations with other regions.

At the same time, inter-regionalism offers a locus for demonstrating to other regions how the prototype functions, and how it may be replicated, or indeed avoided (Hänggi 2000: 3). Building on Manners' notion of 'mimétisme', Aggarwal and Fogarty propose that inter-regionalism involving the EU may lead to the development of greater 'counterpart coherence' over time (2004: 19). In so doing, inter-regionalism provides a hands-on demonstration of the EU's 'how to' manual for regionalism, and, by extension, region-to-region engagement. These studies suggest, then, that the EU may not only determine the agenda and style of inter-regional relations, but may also influence the kinds of region that develop in the very process of engaging with the well established EU institutionalised region. This is an important point, but it is worth noting, too, that new forms of inter-regionalism are emerging beyond the scope of the EU, such as the Forum for East Asia-Latin America Cooperation (FEALAC), and that the institutionalised nature of European regionness is not universally appreciated. Thus, it is worth investigating more thoroughly how regional emulation might occur, by assessing and whether and how existing regions trigger the formation of new ones, with either positive or negative consequences (Hettne *et al.* 1999, xxii).

Bandwagoning

Rüland's third potential for inter-regionalism is as a bandwagoning mechanism, instrumentalising inter-regionalism to rebalance inequalities (such as a lack of EU presence in Asia prior to the formation of ASEM). This offers a further functional rationale for inter-regionalism, as a channel for gaining trade concessions or opening strategic dialogue. By the same token, inter-regionalism may also have the capacity to reinforce inequalities, by, for example, being used by the EU as leverage in trade negotiations when multilateral channels are blocked or at an impasse. For Santander, this means that such relational arrangements are 'skewed towards economic affairs aimed at opening up markets' (Santander 2005: 303).

Institutional Proliferation – Rationalising and Setting Agenda

Rüland also regards inter-regionalism as a part of a broader process of institutional proliferation. As noted above, this is especially evident in the actions of the EU, which is seen to utilise inter-regionalism as a mechanism for trade management (Aggarwal and Fogarty 2004). In fact, much of the work on inter-regionalism focuses on the institutional nature of inter-regional arrangements (Hänggi 2000: 9). Santander, in examining the EU-MERCOSUR arrangement, claims that this form of what he calls 'neo-interregionalism' is 'distinguished by its neo-liberal economic leanings', which both 'encourage and legitimize the policies of liberalisation, deregulation and privatisation as part of the development of a globally integrated market' (2005: 292). This approach, then, further regards inter-regionalism instrumentally as a functional tool of EU foreign policy. Moreover, additional functions for Rüland note the importance of policy rationalization

and agenda setting. Inter-regionalism offers a means for collectives of state to address collective counterparts in a way that has the potential at least to minimise costs and resources, particularly in fields where common views are prevalent. Inter-regionalism may also offer a new form of agenda setting, although as will be illustrated below, it may simply add further channels for the discussion of agenda set elsewhere (notably within the WTO and UN frameworks). Such institutional approaches are helpful to a point. They show how the nature of international relations are changing, demonstrate certain key power variables, and illustrate inter-regionalism as a tool for strategic and managerial policy making by collectivities of states. However, this focus may be rather too driven by state-led understandings and the apparent strategic interests of leading state players.

Stability Projection & Development Promotion

Two further applications of inter-regionalism, from Rüländ's perspective, are the projection of stability and the promotion of development strategies. Regions are central to contemporary understandings of security and it is frequently at the regional level that calls for greater security transparency and assurances are made. Similarly, collective approaches to regional positions have become an important part of, for example, the fight against terrorism, anti-trafficking initiatives (of drugs and persons), and attempts to combat the deleterious consequences of industrial development and climate change. Inter-regionalism can be used in this way as both stick and carrot for garnering agreements sought by a collective. In many ways, the EU is the lead proponent here too. In addition, inter-regionalism can form part of development promotion strategies, and a number of writers have shown that region-to-region relations benefits the liberalisation

and market opening strategies of the EU itself, and also acts as a means of ensuring ‘comprehensive social and economic development on a global scale’ (Söderbaum *et al.* 2005: 371). In this way, inter-regionalism can serve to promote EU trade agendas, rather than to advance the level of economic well-being in the counterpart region. This deterministic approach to liberalisation – often accompanied by requirements for greater democratisation – may even serve to alter the very identity of the counterpart region.

Identity-Building

Rüland’s remaining category, and underestimated in much of the literature, is the potential role of inter-regionalism in terms of identity-building: either by honing region-to-region differences or similarities; or intensifying intra-regional coherence. Doidge does acknowledge that ‘the shape of interregionalism, and the function it performs in the international system, is dependent upon the nature of the actors involved’ (2007: 232, italics added). But these actors for him remain tangibly in the form of states: the actorness of the region *per se* is left undiscovered and the impact of inter-regionalism unexplored. He, like many others, fails to interrogate the internal nature of those actors and to examine both the effects of the actors’ collectively on inter-regionalism and the effects of inter-regionalism on the formation and development of intra-regional dynamics. For these reasons, Hettne’s voice is worth repeating:

Regions are not simply geographical or administrative objects, but should be conceived of as acting subjects in the making (or un-making); their boundaries are shifting and so is their capacity as actors ... Increasing regionness implies that a

geographical area is transformed from a passive object to an active subject — an actor — capable of articulating the transnational interests of the emerging region (Hettne 2004: 10; see also Hettne, 1993, 2003; Hettne and Söderbaum, 2000).

This paper suggests that the very process of region-to-region encounter further intensifies these trends, and that, as with intra-regional institution building, identity building at the regional level is most likely to occur where a heterogeneous grouping is confronted with an ‘identifiable’ external other. Through a constructivist lens, moreover, this process is two-way, and not uniquely dependent upon the capabilities equations between the two parties (Doidge 2007: 242). In so doing, it may contribute to the very idea of the region *per se* as a political actor (Gilson 2005: 310). As will be illustrated below, the ASEM does indeed create a ‘regional’ space around which the states of East Asia may coalesce in a number of spheres.

In addition to providing practical solutions to managing international relations, therefore, inter-regionalism may even intensify difference in the face of a definable ‘other’ and develop a foundation of common norms (Rüland 2001). Self/other relations may be understood in two principal ways (Searle 1995). On the one hand, the self may be formed and reformed in the very process of looking at an other and reflecting back on the self. In this way, the self may be identified through a process of ‘differentiation’ with an other, drawing on its distinct identity. On the other, the self may be understood as being formed from the start by the very act of being in a relationship with an other. In this way, the identity of the self is intrinsically linked with the process of ‘engaging’ with that other

(Campbell 1998: 9 and 70–3). Put simply, inter-regionalism may not only represent the conjoining of two independent regions, but may be regarded as a process whereby, through their mutual interaction, the respective regions come to recognise themselves as such (Gilson 2005: 312; Scholte 1996: 70). As practices of interaction continue, ideas and understandings of self and other are constantly formed and reformed (Gilson 2005: 312). A region may, in fact, derive its own identity in part as a result of being accepted as such by a discernible and pre-defined regional other and existing through the process of reciprocal achievements. Thus, we may ask whether the form of ‘implicit we-ness’ found in groups such as the East Asian contingent of ASEM offer a sense of identity derived from the very need to *act* as a region in responding to another perceived region. Moreover, can the collective ‘we’ in the case of ASEM in turn become the dominant ‘we’ for other aspects of external (‘East Asian’) interaction? (Wendt 1994: 386). The process of engaging in inter-regionalism may not ‘create’ the region, but it may act as an ‘intra-regional mobilizing agent’, both in advancing a region’s external regional profile and in advancing the development of regional consciousness (see Higgott 1994: 368). Inter-regionalism, then, ‘creates a global public reality, which not only structures inter-regional relations but also has a constitutive role in the formation of regions’ (Söderbaum *et al.* 2005: 371). In summary, inter-regionalism may work in both functional and cognitive ways: as a tool for managing disparate relations, and as a means potentially of (re-)defining concepts of region. The following section examines the extent to which these categorisations have been in evidence in the case of East Asia-Europe encounters to date.

The Case of ASEM

‘Given the sprawling variety of Asia, it is absurd to think of a monolithic EU–Asia relationship’ (Patten 2002).

This statement by former EU External Relations Commissioner Christopher Patten illustrates the complexities facing the EU when its member states seek to formulate and sustain relations with the countries of Asia. How is it possible to talk of a ‘region–to–region dialogue’, or the concept of inter-regionalism, with reference to this ‘sprawling variety’? (Gilson 2005: 308). Against a background of regional developments within East Asia, the EU (then EC) began biennial foreign ministers meetings with ASEAN in 1978 and today the EU–ASEAN relationship today is pursued through region–to–region ministerial meetings, as part of the EU–ASEAN dialogue, and through individual EC–ASEAN Cooperation Agreements. In 1996 the Asia-Europe Meeting supplemented these activities. Advocating closer linkages with the growing EU, as well as encouraging the participation of their dominant neighbours, China, Japan and South Korea, ASEM was seen not only to offer closer links with the expanding EU, but also to provide the Southeast Asian community with a chance to garner greater leverage in the face of the forces of globalisation, to balance the potential rivalry between Japan and China, and to moderate the effects of any future change in the US geostrategic position in the region. For the EU it offered a welcome opportunity to embrace a region of dynamic growth, which had been largely neglected by European businesses. The idea that ASEM strengthens the East Asia–Europe side of the three ‘fundamental poles of the international order’ has become a well–used rationale for East Asia–Europe developments (Pou

Serradell 1996, 191; CAEC 1996; Maull *et al.* 1998, xiv). Thus, the ‘tripolarisation’ of the global economy becomes the mantra of ASEM’s advancement. Early initiatives were driven in the main by Southeast Asian nations. It was, nevertheless, clear from the start that Japan, China and South Korea would constitute an integral part of the East Asian contingent, since their participation would distinguish the arrangement from those already in place. Biennial summits represent the apex of a host of activities held in the name of ASEM and since Bangkok in 1996 have covered topics as varied as trade, science and technology, environmental cooperation, anti-terrorist measures and the combating of the illegal trafficking of drugs. At the 2006 Helsinki summit, it was agreed that henceforth ASEM would include six new members, including India, Pakistan and Mongolia in Asia, Bulgaria and Romania in Europe and the ASEAN Secretariat.

The development of ASEM to date corresponds in a range of ways to a number of Rüländ’s functions of inter-regionalism. First, although never stated by participants themselves, ASEM has often been regarded as a (potential) means of balancing US relations with both East Asia and Europe. Viewed as a way of counterbalancing US regional hegemony, Hettne even pits ‘Pax Americana versus regionalism’ (Hettne 2004: 14; Gilson 2005). More fundamentally, it has been cited as a way of realising the “‘third side” in a global triangle of regional economic blocs’ (Pou Serradell 1996: 191; Maull *et al.* 1998: xiv). To date, the progress of ASEM has not raised issues of hegemony so much as issues of global management, so that it is more likely to be associated with Rüländ’s second function; namely, balancing regional institutions. To this end, it has been labelled as an instrument to balance the US/NAFTA on the one hand, and APEC, on the other.

Moreover, it provides for the member states of East Asia a collective way of dealing with the institutionally organised states of Europe and, in so doing, offers first-hand evidence of integration. In so doing, it provides the institutional space for East Asia to present itself as an economic and political entity. A number of authors who examine the institutional parameters of ASEM focus particularly on the comparative levels of institutionalisation of the member regions, especially when the EU is one partner. This approach tends to result in judgements of institutional incompatibility (Sbragia, cited in Aggarwal and Fogarty 2005: 336), or of relative institutional thinness by non-EU regions (Doidge 2007: 240). It also tends to focus on the levels of ‘extra-regional echoing’, or imitation, by those regions engaged with the EU (Avery 1973: 550, cited in Doidge 2007: 240). Whilst the region of East Asia remains relatively institutionally ‘thin’, developments since ASEM and the formation of the ASEAN Plus Three process in 1997 have served to strengthen its institutional responsiveness, both in terms of its own agenda and its extra-regional projection. These issues relate more broadly to identity and will be addressed further below.

At the same time, an important area of governance pertains to the space ASEM opens for non-state actors. Stubbs observes that the participation of previously disparate and usually unheard non-state actors may proliferate within inter-regional fora and serve to give any East Asian model of region an emphasis on social, not legal obligations (1998: 70). To date, however, the outcome of greater non-state inclusion remains unclear. On the one hand, the very summity of region-to-region encounters may offer opportunities for new forms of collective action and even embed specific ideas of civil society. Since 1996,

the AEPF has maintained a substantial and increasingly influential presence on the margins of official ASEM, whilst business and trade union interests hold privileged positions within its formal structures (Gilson, forthcoming). On the other, there are also many practical issues to be faced by local groups designed to address local constituencies when they attempt to scale up to regional activism and, as a result, many regionally active European NGOs are often marked out from their generally more disparate and localised Asian counterparts. In addition are the often lacking resources needed to mobilise groups to work across countries and even continents. Conversely, those groups successful in obtaining privileged access to decision-making elites risk becoming co-opted by the authorities they seek to shadow (Grugel 2006: 213).

ASEM has provided a forum for bandwagoning, as it appealed in the first place to the EU as a means of enhancing a particularly weak presence in the then dynamically growing economic region of East Asia. The EU sought to harness those interests in particular by co-opting the business community into the formal structures of ASEM and promoting the global profile of the EU (Söderbaum *et al.* 2005: 375). Similarly, EU-MERCOSUR was seen to develop in response to the US-led Free Trade Area of the Americas (FTAA) developments. Seen from this perspective, the EU's 'generous' inter-regional relations with Mercosur represent a concession to Mercosur not only motivated by the EU's interests in that region, but also the EU's competition with the USA, thereby giving rise to 'competing regionalisms' (Hettne 2005). From an Asian perspective, by the time of the first ASEM, the topic of 'Europe' had been prominent in the Asian media for many years, since the fall of the Berlin Wall in 1989 and, particularly, in light of the success of the

Maastricht Treaty of 1992, which pronounced the imminent arrival of the single currency. In addition, years of incremental achievements for the EC/EU, especially through the Commission with its delegations in non-EU member states, had given the EU a *de facto* international political as well as economic role that East Asia could not ignore. Throughout the late 1990s and early 2000s, the establishment by the Treaty of Amsterdam in 1997 of a High Representative within the Council of Ministers' General Secretariat, the overall growth and institutionalization of the Common Foreign and Security Policy (CFSP), the introduction of the euro and the formulation of an EU Constitution further reinforced in practice the EU's growing external presence.

In addition, ASEM was added to the growing international institutional architecture, in spite of a genuine reluctance on the part of East Asian participants for the arrangement to become overly formalised. The 2006 meeting's decision to admit the ASEAN Secretariat as a member of ASEM is particularly salient in this regard. Despite this growing formalisation, ASEM remains relatively institutional unimportant for several reasons. To begin with, the EU in general retains less interest in East Asia than the region's growing economic and political weight would merit, largely explained by the time and resources required by the EU's own integration processes, by the relative lack of contentious issues vis-à-vis East Asia, and by the fact that most of the issues addressed at ASEM are also dealt with elsewhere. What is more, and as Aggarwal and Fogarty note, the EU remains the dominant partner in inter-regional relations and 'thus can largely dictate the terms of these institutionalised relationships' (2005: 338). On a more positive note, some commentators regard ASEM as a means of complementing other sets of relations, by

establishing for the EU a growing set of relations with East Asia (Europa 2002; Gilson 2005: 319). This point is also linked to the issues of policy rationalisation and agenda setting. In both cases, ASEM offers a coherent forum for collective action, with the potential to streamline policy and agenda according to the specific needs of these two regions. At the same time, however, the fact that ASEM does not really engage in value added agenda setting, but rather takes its cue from policy decisions made in other fora, notably the WTO and UN, renders it potential inefficient and redundant.

Stability projection and development promotion have also played a role in ASEM, although a minor one to date. In terms of stability projection, ASEM plays some role in advancing Asian attempts to prevent further exclusion to the closed European market and for the EU to monitor in particular the security tensions in the region of Asia, and particularly the role of China. More importantly, perhaps, it sets up regular channels of cooperation where they did not previously exist, a function that may be viewed as a means of achieving relative gains, or as a learning channel for joint problem-solving (Gamble and Payne 1996: 5). Development promotion is especially important for Southeast Asian economies. By involving a coherent and identifiable 'other' in the form of the EU, the nature of the identity that formed among the non-EU participants was influenced heavily by the identity associated with the Union. Conceivably, had the dialogue been established in a manner that posited the EU, Japan, South Korea and Singapore on one side, for example, it is possible that any identity emerging to incorporate the 'leftover' states would in some way be associated with under-development. In short, Southeast Asian states come to be fully associated with the

economic success (or indeed, failure) of East Asia as a whole. The desire of India and Pakistan to join ASEM was strongly motivated by this prospect of inclusion. In this way, the explicit nature of the region as part of an inter-regional framework may become important for breaking down perceptual barriers about the nature of Asia (Gilson 2005: 320).

Perhaps the most interesting area of challenge for ASEM is in the question of identity building, particularly with regard to East Asia. In fact, very few observers commented on the concept of 'East Asia' prior to the start of ASEM. Suggested in part as a result of the financial crisis, which located a particularly 'Asian' form of capitalism, this form of East Asia has since been advanced. Moreover, the process of engagement with the EU itself reinforced the idea that an East Asia region did exist. These developments led to calls within East Asia for the strengthening of regional collaboration in a perceived trilateral (EU-US-East Asia) global economy and even for the creation of some kind of currency union akin to the European model. More importantly, perhaps, when it came to preparations for the first ASEM summit the (then) Asian ten had to sit down together as a group for the first time, in order to formulate responses to their European interlocutor. As the process of collaboration continued, supported by a realisation during the 1997 currency crisis that East Asia lacked the means to collectively address regional challenges, there was soon greater momentum for closer cooperation among ASEM's Asian states. Since then, and for example at the 2004 Hanoi ASEM meeting, leaders have drawn attention not only to what the perceived positive effects of EU expansion, but also to the trends towards closer cooperation in East Asia, particularly the plans for an

ASEAN Community by 2020 and enhanced collaboration through the ASEAN Plus Three (APT) process. The first APT meeting in 1997 represented a formal recognition of a tangible East Asian identity, and if not actually instigated by ASEM, the region-to-region process nevertheless strengthened this growing concept of East Asia as an ‘equal partner’ to Europe (Hook *et al.* 2001: 154; Aggarwal and Fogarty 2004). Since its inaugural meeting, the APT has developed an elaborate structure of meetings, which now include not only an annual summit but also foreign and finance ministers’ meetings, as well as other specialist meetings. Since the sixth summit in November 2002, moreover, the APT has expanded its remit to address regional political and security issues, such as terrorism and non-traditional security, and now embraces many of the subjects featured on ASEM’s own agenda.

The subsequent interaction of the two groupings, tagged as ‘Europe’ and ‘Asia’, created ‘a self-receptor, or sense of “we-ness”’ (2002: 24). As a result, East Asia came to act as ‘Asia’ for the purpose of engaging with the EU, and the process of that interaction further intensified a sense of communal identity among a group not previously constituted for any other purpose (Gilson 2002: 24). Inter-regionalism, then, has come to provide a locus within which a ‘public reality’ could enable regions to talk to one another as regional actors (Searle 1995: 127 and 190, cited in Gilson 2005: 312). At the present stage, this may represent no more than the ‘reactionary regionalism’ observed by Beeson, but ASEM has certainly contributed to the creation of a notion of regional identity through the delineation of ‘self’ and ‘other’ (Beeson 2003). The actual trajectory of regionness that East Asia will eventually adopt remains to be seen. Among the numerous options, an

‘oppositional’ East Asia may come to regard the EU as a counter–model for integration, particularly if the so–called ‘Asian values’ debate accrues greater credence and Western calls for the ending of ‘crony capitalism’ or Asian human rights abuses continue to locate the region as a negative other. Additionally, a ‘partnership’ East Asia may develop, representing a body of equal status to that of its European interlocutor. The possibilities for two–way regionalism as espoused through ASEM, and in contradistinction to the early years of EU–ASEAN dialogue would suggest that this is possible, reinforced by an apparent East Asian confidence to address some of its collective concerns as a group. In reality, however, intra–regional rivalries, particularly between China and Japan on the one hand, and China and Taiwan on the other, may jeopardise the region’s ability to sustain such coherence. Alternatively, a ‘mirror’ Asia may construct its own future through participation in fora such as ASEM and in the face of a clearly definable other. In this formulation, the pursuit of intensified institutional mechanisms for the formalisation of regional responses would be needed. To date, and in spite of the formal inclusion of the ASEAN Secretariat, this model has been actively resisted by many East Asian participants, who would rather retain their own way of doing business than adopt Western norms wholesale. In these ways, inter-regionalism is important for East Asia, not only for dealing with a growing EU, but also for enhancing the very formation of a sense of regional self.

Conclusion

There is an identified need for more research to be conducted into the development and (potential) impact of inter-regionalism, particularly in its relations to regionalism and to

figlobal governance issues. Ongoing empirical investigations need to be advanced, alongside greater theoretical exploration into the concept of inter-regionalism itself. In particular, more attention could be paid to non-EU forms of inter-regionalism, such as FEALAC. In its present state of enquiry, inter-regionalism appears to play a number of roles. First, it contributes, to small but growing levels, to the management of global change and to inter-state relations. It offers one channel for responding to changes in the structure of the global political economy and, especially since the events of 11 September 2001, provides additional means for tackling trans-border threats and challenges. However, whilst it offers the prospect of rationalising agenda and the management of group dialogue, it may also simply add to institutional overload and serve only to replicate agendas formulated elsewhere. The value-added contribution of inter-regionalism may well, then, depend on its context. Linked to this global role is the issue of global governance structures. As illustrated, there is a view that inter-regionalism offers a distinct level of governance, but the precise nature of such governance structures remains to be clarified, particularly in terms of how non-state actors use inter-regional space to make accountability claims. Thus, inter-regionalism creates new possibilities for transcending not only the confines of the state, but also for including participants from below the level of the state, such as business, citizens and non-governmental groupings. Some of these are already incorporated into the ASEM framework. At the same time, there remain tensions in efforts by different participants to articulate such a space. In the case of ASEM, for example, the business community has been given full membership of the inter-regional framework within ASEM, and its members are important in defining closer economic linkages between the two regions. In contrast, certain states are unlikely

to sanction greater NGO participation in inter-regional exchange any time soon, and whilst inter-regional activism may be developing slowly, its impact on ensuring transparency and accountability remains to be fully tested.

Second, inter-regionalism may serve to reinforce the relevance and even existence of the regions it encompasses. On one level, it is now accepted that East Asia and the EU ‘matter’ to one another, as trade between them has surpassed that of EU–US trade and as, during the 1980s and especially the 1990s, regional trade agreements, as opposed to global ones, became increasingly desirable (Yeung *et al.* 1999: 20). In this way, inter-regionalism renders more prominent the regional interests and agenda of a given community. On another level, the very act of engaging as an inter-regional interlocutor may shape the development of a particular region itself. As shown in the case of East Asia, its performance as a region within the ASEM framework has served to shape its course towards the APT and East Asian Summits. Thus, inter-regionalism may in fact reinforce the role of regions as actors. This is not to argue that East Asia has solely been defined through the inter-regional mechanisms of ASEM; rather, to suggest that the explicitly inter-regional process has been important in further delineating the contours of Asian regionness and in highlighting, albeit in a *post facto* manner, how processes such as the APT and regional financial initiatives have become part of a regional discourse that is most visible in its inter-regional iteration. Increasingly, inter-regionalism is also being used to develop the notion of partnership, which may have consequences for the types of demands certain regions will feel able to make of their counterparts. Whilst inter-regional formats such as ASEM have the potential to embed colonial misdemeanours and to

further reinforce North-South divisions (both within the ASEM itself and also through exclusion of other states), it is also the case that the East Asian regional partner is becoming a more demanding interlocutor through this inter-regional arrangement. With these factors in mind, this paper concurs with Aggarwal and Fogarty, who conclude that a lack of unifying logic to the concept of inter-regionalism does not mean that it is 'doomed either conceptually or practically.' On the contrary, it may hold some insightful lessons about the rapidly changing nature of global governance and about the ongoing formation of regions themselves.

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